The Interplay of Design and Marketing: A General Model

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ABSTRACT

Although many authors emphasise the differences and potential conflicts between product design and marketing, there appears to be a disagreement in how to handle such differences and conflicts within organisations. This paper presents a novel and general model that focuses on how different practices relating to design (self-oriented or commercially oriented) and marketing (product-oriented or market-oriented/customer-led) may be combined, and discusses the coordination of marketing and design when combining these practices. By introducing such a general model, this paper contributes with a new perspective on tensions and synergies that exist between design and marketing.

Key Words: design; marketing; practice; coordination; conflicts

INTRODUCTION

In recent decades, product design, i.e. the form and function of a tangible good, service or both (see Luchs and Swan, forthcoming), has been widely acknowledged as a possible area of competitive advantage for companies (e.g. Srivastava et al., 1999; Yamamoto and Lambert, 1994). Several studies have proven a connection between investments in design and financial performance (e.g. Hertenstein et al., 2005; Lorenz, 1994). The advancement of design as a strategic resource in an organisation may lead to new concerns and challenges for its managers, not only regarding the most suitable design for a particular product, but also the interface between design and other functions within the organisation. While early models tend to portray firms as consisting of a set of separate departments that conduct isolated activities from each other, more recent depictions reject this notion (Tuominen et al., 2000). Nowadays, companies are generally seen as relatively complex entities with numerous connections between functions and departments (Hillebrand and Biemans, 2003; Kahn, 1996).

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In this paper, the practical and theoretical issue of interest is the interplay between the processes of designing and marketing products. This reciprocal action and reaction may entail considerable tension and conflict due to the different natures of these activities, where marketing is generally seen as more rational and scientific, and design more creative and intuitive (Beverland, 2005). When addressing this potential conflict within companies, many marketing scholars (e.g. Kotler and Rath, 1984; Bruce and Daly, 2007) suggest close coordination between marketing and design so that the products' design is adjusted to meet the demands of customers. In other words, these scholars argue that products and their design process should be driven by the needs and demands of the market to increase the likelihood of market success. Other researchers (Digerfeldt-Månsson, 2009; Fillis, 2006) question if it is preferable or even possible to rationally control the creative potential of design and other artistic activities. These researchers are more concerned with the design process and its fundamental nature; in particular, the process of designing products that distinguish themselves through their aesthetic qualities, creating so-called 'sensory experiences' (Schmitt, 1999: 61) for customers. Beverland (2005), for instance, argues that the creative process of product design should not be led primarily by the outspoken needs of the market, but instead be shielded from business imperatives.

In contrast to previous literature regarding the coordination of design and marketing (e.g. Beverland, 2005; Bruce and Daly, 2007; Fitzsimmons et al., 1991; Kotler and Rath, 1984; Moll et al., 2007; Svengren Holm and Johansson, 2005), a basic premise of this paper is that design and marketing are ambiguous concepts. According to Hirschman (1983), some companies view product design as strictly a strategic and commercial activity, whereas other companies have a more artistic and creative approach to their operations. Marketing itself may also look very different, ranging from being product-oriented to relationship- and market-oriented (Grönroos, 1996). Furthermore, the different approaches to product design appear to be more or less compatible with different approaches to marketing. A key assumption in this paper is that the compatibility between such varying approaches depends on how they are coordinated, i.e. how the interrelated processes of design and marketing are managed (see Malone and Crowston, 1994).

The purpose of this paper, therefore, is to improve the understanding of the interplay between design and marketing, i.e. how and why different approaches to design and marketing work together, by exploring the practices of design and marketing at eight design-oriented companies and their coordination. From the study it appears that any marketing and design approach may be combined if they are appropriately coordinated. Suggestions of what is an appropriate coordination for different combinations of design and marketing practices are thus suggested.

THEORETICAL FRAMEWORK

Practices of Design

Design is a ubiquitous but elusive phenomenon that is relevant to all products. The concept of design is often seen as inherently related to form and aesthetics (e.g. Bloch, 1995; Kaul and Rao, 1995). To others, design is mainly related to engineering activities and product

function (e.g. Kohli and Krishnamurti, 1987). Simon (1996) defines design in a very broad sense, as related to creativity at large and a change of state. Moreover, design has been described as the 'innovation of meanings', relating design to the different reasons why people use a product (Verganti, 2009: 21). A more narrow definition adopted in this paper is that design embraces the function and form of a tangible good, service or both (see Luchs and Swan, forthcoming). However, the relative importance of form and function may differ based on the context. Some products can have an aesthetic function as their primary purpose (i.e. their consumption is mainly experiential or involves a consideration of 'beauty'), whereas other products are essentially utilitarian with aesthetics considered as a secondary purpose (Charters, 2006). Products may be placed on a continuum that highlights the relative importance of aesthetics to the product. According to Charters (2006), a private label detergent represents a product with a minimal aesthetic dimension, cars represent a product with an 'aesthetic design', haute cuisine is 'substantially aesthetic' and chamber music represents an almost entirely aesthetic product.

Independent of the various dimensions and functions of products, the design process is generally considered a creative process and the designer is seen as a creator. According to Beverland (2005), designers are often described as egocentric, sensitive, intuitive and emotional artists with right-brain thinking. There are, however, different kinds of creators, and a designer is not necessarily an artist. Hirschman (1983) defines artists as those who create something primarily to express their subjective conceptions of beauty, emotion or some other aesthetic ideal. Artists differ 'from creators of utilitarian products in that their creativity is valued for its expressive qualities and not merely its functional utility or technical competence' (Hirschman, 1983: 46). Furthermore, creators can be divided into commercial and self-oriented. Self-oriented creators place their own evaluative criteria above those of the public at large and their peers. This approach requires aesthetic and intellectual conviction and may sometimes lead to products that satisfy the preferences of only the designer (Hirschman, 1983). Sometimes, the self-oriented creator has previously focused more on the reactions of peers or the public at large (Hirschman, 1983). Once this feeling is established, however, he then decides to go his own way and places his personal criteria first. It is still possible for the self-oriented creator to be successful with larger audiences, though he creates with his own criteria foremost in mind. In contrast, the highest priority of commercial creators is to fulfil the wants of the public at large and they consider the commercial success of their design as their primary objective.

In conclusion, design is a complex and diverse process that must respond to various constraints and objectives, where the designer's own desire for self-expression is only one objective. Constraints also include product performance, production objectives and marketing programme objectives (Bloch, 1995).

Practices of Marketing
As is often highlighted in contemporary marketing literature, marketing (per its definition) is a customer-oriented activity that focuses on creating value for customers. Customer-oriented companies first seek to ascertain the needs and want of customers and then

effectively and efficiently produce products and services that satisfy these needs and wants (Berthon et al., 2004). This method of operating is also implicit in the marketing concept, originally described by authors such as Keith (1960) and Kotler (1972), and subsequently adopted and further refined by researchers investigating market orientation (e.g. Kohli and Jaworski, 1990; Jaworski and Kohli, 1993). However, the concept has not been received without criticism. Slater and Narver (1998), for instance, argue that market orientation should not merely be concerned with addressing a customer's explicit needs and wants, but also those that are implicit. In contrast to being market-oriented, being customer-led is merely about listening to and following customers and their expressed needs and wants (Slater and Narver, 1998). Jaworski et al. (2000) also emphasise this distinction and argue that there are two types of market orientation: market-driven and market-driving. The former refers to a reactive marketing approach that accepts the market as a given, whereas the latter is more proactive and includes attempts to change the composition of market players. Despite their differences, customer-led and market-oriented companies are both (to varying degrees) customer-centred in their marketing activities, and this aspect of marketing may appear natural and self-evident to most academics and practitioners today.

Traditionally, however, the competitive strategies of many industrial companies (as well as their focus in marketing) have been more product-centric, focused on producing high quality products to sell to customers and influencing their customers' purchasing behaviour through various marketing tools (O'Malley and Prothero, 2004; Grönroos, 1991). For a long time, product focus also dominated research and writings in the field of business marketing (Parasuraman, 1998). A product-centric approach to marketing, sometimes called a transactional approach (O'Malley and Prothero, 2004; Nordin, 2009; Coviello et al., 2002), does not typically distinguish between different customers, but develops one approach to marketing and requires customers to use their non-customised sales processes and channels (McEachern, 1996). The transactional approach focuses on creating transactions or exchanges one at a time and is not concerned with building long-term customer relationships. The goal is to create satisfied customers by focusing on product benefits. In contrast, the general focus of relationship marketing and more recent (though not necessarily more accurate or efficient) perspectives on market orientation is on building relationships with customers. The basic goal in relationship marketing is to satisfy customers by focusing on creating value for them in close, long-term relationships (Grönroos, 1991; Gummesson, 1997).

While transactional marketing has been the prevailing approach for decades (McEachern, 1996), the relational approach, it is argued, will result in more loyal customers, decreased price sensitivity and the creation of opportunities for up-selling and cross-selling (Dwyer et al., 1987). Although very customer-centric, the relational approach has also been criticised because it is not particularly useful in mass markets (Tynan, 1997), where a low price is considered as the most essential issue for many customers (Agndal et al., 2007). Some authors have also argued that market orientation, relationship-oriented marketing and, in particular, the customer-led marketing approach may hamper the development of unique and innovative products (Christensen, 1997; Tauber, 1974) and, therefore, the performance

of organisations. However, the empirical evidence is not unanimous. Numerous studies have found a positive correlation between market orientation and organisational performance (Fillis, 2006). Lukas and Ferrell (2000), for instance, show that customer-oriented businesses launch more new-to-the-world products than those that are less customer-oriented. One explanation for this may be that customer-oriented companies are better at discovering hidden customer needs than other companies (Lukas and Ferrell, 2000).

Moreover, it must be emphasised that the nature of some industries – e.g. the arts and some high technology industries – makes product orientation a preferable approach, one that may overshadow customer orientation. Market research can result in products that are safe and bland rather than challenging and creative (see Voss and Voss, 2000). Just as there are both merits and disadvantages to ignoring market demand and customer wishes (Christensen, 1997), there are perils in emphasising customer orientation to the detriment of product orientation. There exists no omnipotent marketing method, but rather a number of different alternatives with particular pros and cons, all more or less suitable in different contexts.

The Relation between Marketing and Design
Marketing and design processes are often handled by specialised organisational units within organisations and thus differentiated from one another. They are, however, inter-related and somewhat contingent processes (Hillebrand and Biemans, 2003; Kahn, 1996). One organisational challenge is to coordinate the activities of these units so that the organisation can produce, market and deliver products that are popular with customers, yet preserve the company's design identity and creativity.

The literature has acknowledged important differences between designers and marketers and that cooperation between them may be difficult. A lack of understanding regarding the purpose and value of design could contribute to these difficulties (Trueman and Jobber, 1998). Moreover, the different educational backgrounds, professional identities, working tools and attitudes towards the product and corporate identity of individual designers and marketers sometimes make the integration between design and management difficult (Svengren Holm and Johansson, 2005). Marketing often relies on a rational, scientific and profit-based approach, whereas the designer relies on talent, creative skill and intuition (Beverland, 2005). As a result, a designer may sometimes seek a greater level of novelty and impact in product design than the marketplace is willing to accept (Bloch, 1995). However, it has also been acknowledged that conflicts and compromises among the different ideals of designers, marketers, production people and engineers may enhance the overall outcome of the product design and development process, leading to more successful products in the market, i.e. products that sell better. Conflicts may in fact purify a design by working out its defects and ultimately improving the product (Bloch, 1995). Or, as Kristensen and Grönhaug (2007: 821) state, 'the intellectual smartness of marketing and the artefact smartness of design can be united in a strong way'.

To build on these inherent conflicts between design and marketing, a number of researchers have suggested how marketing and design may be coordinated and, in

particular, how they can be aligned with the overall business strategy of a company (Bruce and Daly, 2007; Kotler and Rath, 1984; Olson et al., 1998; Kristensen and Grönhaug, 2007). It has been suggested that the company's objectives lead to a design strategy that decides how design resources should be allocated and coordinated (Olson et al., 1998). The company's commercial objectives should rule over marketing activities and subsequently design.

However, design is increasingly seen as a creative asset in its own right for companies rather than simply a functional resource that may help to accomplish marketing objectives (Bruce and Daly, 2007). Thus, some authors question the idea of adjusting the creative design process to suit the company's overall business strategy and suggest that design should instead be understood from its own perspective, i.e. from an artistic perspective (Digerfeldt-Månsson, 2009). Beverland (2005) studied wine-producing companies and the tensions between artistic and commercial imperatives in the product innovation process. From his study, he introduces five possible methods to assist in integrating design into a company: (1) top leadership support and integration at the strategic level; (2) simultaneous loose–tight coupling (i.e. being firm about end results, but leaving the means to achieve innovations up to the design team); (3) being in the marketplace versus being of the marketplace (i.e. being aware of and inspired by the surrounding market trends, but not directed towards a certain trend); (4) intergenerational teams to share a common design philosophy; and (5) deliberate decoupling (i.e. separating the production/marketing acumen from the projected image). Bruce and Daly (2007) suggest a design management framework for marketing, incorporating five key management activities that in various ways may support the alignment of design with different market forces: (1) sourcing (i.e. the use of external or internal design resources); (2) briefs (i.e. clear and communicated objectives for the product design); (3) project management; (4) market research (i.e. market information available for designers); and (5) top-level commitment. Kristensen and Grönhaug (2007) offer a broader view on the same issue and describe the integration strategy at various levels: project integration is a weak form of integration that is limited to one project; physical integration is stronger and is created when different functions are physically located close to each other; and conceptual integration is the strongest form of integration in which communication leads to a common language and a common subculture (e.g. through a cross-disciplinary and co-located team).

Specification of Research Purpose
There appears to be a disagreement regarding how design and marketing should be coordinated, from tight, sequential models where marketing leads design to less structured variations where design has significant freedom and marketing communication is adjusted to the features of the products. Several researchers look for methods that require designers to design products to meet the demands of the market, typically by suggesting that design should follow marketing (e.g. Kotler and Rath, 1984). A reason for this view might be because the discussion about coordination and possible integration is mainly held from a marketer's perspective, which leads to a market-oriented perspective on design rather than the opposite. However, there are less structured forms of coordination with design,

in which the creative processes of designers are liberated (albeit not set completely free) (e.g. Digerfeldt-Månsson, 2009; Hirschman, 1983). Some researchers (e.g. Heskett, 2002) acknowledge that creative designers with a less commercially oriented focus may need a less forceful coordination process and perhaps even need to be shielded from more performance-focused business disciplines to not impede their artistic creativity. Much of the existing literature on the coordination of marketing and design does not consider the firms' different approaches to these concepts and thus takes a rather simplistic view of product design and marketing. As mentioned earlier, however, different designers have different kinds of audiences in mind when they create a new design, from themselves to peers to the broader public audience. The coordination with marketing is likely to depend on the target audience. Different possibilities and strategies are also open to the marketer, ranging from a product focus to a focus that responds to specific market needs.

This paper starts from the view that there are different approaches to both design and marketing. The focus on design may be oriented towards the designer's self or more commercially oriented towards the broader audience. Still, marketing may be product-oriented or more customer- or market-oriented. This paper explores how these different practices may be combined and draws conclusions regarding what kind of coordination is appropriate for each combination.

METHODOLOGY

Research Design and Sampling

This paper is based on case research, which is a suitable method to test and build theory (Voss et al., 2002). We regard a case study as a useful research approach to explore the inter-play of marketing and design and to develop a model for how marketing and design can be coordinated. This is an area lacking in research, which makes case research an appropriate choice, since it suits the questions that are not thoroughly researched (Leonard-Barton, 1990; McCutcheon and Meredith, 1993). With the ambition to explore different marketing and design approaches, a multiple case study approach involving eight design-oriented companies was adopted. Multiple cases can reduce the depth of the study when resources are limited, as well as augment the external validity (Voss et al., 2002). The sampling was theoretical, i.e. the cases were chosen for theoretical rather than statistical reasons (Eisen-hardt, 1989). More specifically, because we wanted to understand if our results were valid in different industrial contexts, we included companies from two different design-intensive markets – furniture and automotive. The companies were intentionally selected with our research question in mind and as potential representatives of different variations of design and marketing. They are all design-oriented and range from relatively small to much larger and mass-producing companies. The head offices of all the companies are located in Scandinavia. A description of the cases is found in Table 1.

The aim of the study's first stage was to explore the design and marketing practices of the eight case companies. The second stage in the research was to develop a provisional model for the combination of marketing and design from the empirical results, including coordination mechanisms for each combination. In other words, the first stage focused on

how companies work with design and marketing, and the second stage focused on how and why these different orientations may be combined.

Table 1: Overview of Studied Companies

Company	Approximate Turnover, 2008 (€, millions)	Number of Employees, 2008	Activity	Main Location of Designers	Number of Interviews
A	2	14	Manufacturer of sofas, chairs, stools, armchairs, tables, etc. for home and office interiors; artistic design profile	External	2
B	3	18	Manufacturer of sofas, tables, storage, etc. for home interiors; innovative design profile	Internal	1
C	3	13	Manufacturer of sofas, chairs, stools, armchairs, tables, etc. for office interiors; innovative design profile	External	2
D	70	278	Manufacturer of a broad assortment of functional work-station furniture (office chairs, tables, storage)	Internal	2
E	200	110	Manufacturer of a broad assortment of functional work-station furniture (office chairs, tables, storage)	Internal	2

(Continued)

Table 1: *(Continued)*

Company	Approximate Turnover, 2008 (€, millions)	Number of Employees, 2008	Activity	Main Location of Designers	Number of Interviews
F	4	27	Manufacturer of sofas and armchairs for home interiors; characterised by stylish design and solid craftsmanship	External	2
G	20	83	Manufacturer of sofas, chairs, stools, armchairs, tables, etc. for office interiors; innovative design profile	External	2
H	10,000	17,000	Manufacturer of premium cars with a functional and simple 'Scandinavian' design	Internal	1

Data Collection and Analysis

Data were collected through 14 formal, semi-structured interviews with respondents holding different positions (e.g. chief executive officer (CEO), marketing manager or production manager). After identifying the respondents and validating that they could reliably answer our questions, one or two representatives of each company was selected for an interview. All respondents had relevant experience from working within the company and were well-informed on the subject in focus. Because the inquiry was based on previous literature and attempted to build a new theory, a semi-structured interview guide was used, focusing primarily on the practices of design and marketing and how these activities were coordinated. To allow for an inductive inquiry (Mintzberg, 1979), the interview guide was the starting point, though we retained flexibility to incorporate observations outside the interview guide if they related to our research focus. The interviews were recorded and then transcribed in detail. Using existing literature, a model that focused on possible combinations of different marketing and design practices was constructed. The transcribed interviews were analysed and the companies were positioned within the model (Figure 1). Finally, how the companies coordinated their marketing and design activities were analysed during a series of creative discussions between the two authors of this paper, resulting in a model on the coordination of design and marketing.

EMPIRICAL RESULTS

The first group of companies can all be described as self-oriented in their design approach and product-oriented in their marketing activities. For instance, the design of *Company A*'s products is driven primarily by artistic goals, and the company's products are only produced in short series. Their marketing approach is purely product-oriented, without any influence from the customers on the company's product range or design of any furniture. For instance, the respondent at Company A explains that the market does not lead them: 'We do not keep one ear on the ground like others do.' The product designer, who is always an external talent, works almost completely independently of Company A's other business and marketing operations. Apart from creating a design, the designer's name functions as a mark of quality in the marketing communications. Therefore, rather than creating products for specific customer needs and wants, the company seeks buyers for the different products created by various external designers. In the marketing communication, specific features of the different products are marketed as well as the names of the different designers.

The design of *Company B* is also driven by artistic ambitions along with certain ideological goals, such as concern for the environment, rather than input from the market or customers. The respondent in Company B explains:

> Well, I do not want to romanticise; this is an efficient company, run as a professional company. But it hosts – I usually call it an artistic attitude – that you do not do things to achieve anything else than to express what you really long to express. That is the purpose.

In answering questions about value creation for customers, he explains:

> What about creating value? It is probably important that I work from another perspective. I do what feels right and I do it with as much honesty, transparency and love as I possibly can. If I do that, I am convinced that I will strike the right note with customers.

All products from Company B are designed internally, primarily by the CEO, who is also the chief designer. Their market approach, as the above statements attest to, is product-oriented. In the marketing communication, the features of the product and the ideological statements inherent in the products are expressed verbally by sales personnel and in written texts such as brochures. The internal education of marketing and sales personnel concerning the features of the product is seen as very important, since the value of the products sold lies primarily in such features.

Company C is another design-oriented company and, in line with Company A, but in contrast to Company B, relies mainly on external design resources. Like Company A and Company B, Company C is not concerned with specific customer requirements in the design process, but relies on its designers' creativity, which it considers a critical asset that should not be violated by too much interference from the market. However, because the

CEO of the company is an educated designer himself, there are often intense discussions with the designers under contract, e.g. whether or not it is possible to produce a potential product in large volumes. Company C appreciates these discussions because they add new perspectives to the product design. The respondent at Company C explains:

> We are the industrialists. The designer who we cooperate with is our consultant. We have totally different points of views and therefore have nice, dynamic and sometimes rather heated discussions. But this is something that adds value. They are as convinced of their opinion as we are. I can say things like, 'I hear what you are saying, but I do not agree at all.'

Company C does not adapt its product design to create market success and increase sales, but is concerned with the future user of its products. The respondent says:

> We are functionalists, so everything we do should be functional and work as a tool. We create the tools and the carpenter, in this case the interior designer, should be able to use our tools – file, hammer, etc. And if we have that perspective and believe in a particular way to close the gap, read society and the architecture, then it does not matter if we show a chair with smoothly bent or kinked tubing, or if we use felt or wood, as long as it is permeated by the same conviction. We become credible as well … we do not present funny stuff that does not work.

A second group of companies, including *Company D* and *Company E*, is mainly oriented towards mass markets in their design efforts and is clearly customer-/market-oriented in their marketing activities. Company D offers a fixed range of products and aims at being customer-oriented by adapting its products in terms of colour and size. The company listens carefully to customers and their specific preferences and is willing to adjust details in its product design or even design completely new products for customers. The respondent from Company D says:

> Sometimes the market forces us to present pure, low-priced versions without considering quality, but only cost. And then, because X travels a lot to Asia, he finds businesses that produce well-known brands and then we might just as well buy something similar, not exactly the same. Still, the customer likes it. So it is good for us.

The market leads the design organisation, and the designers seek to adapt their products in line with marketing requirements. Moreover, both Companies D and E clearly strive to offer total solutions, through a relatively wide range of products that are not only customised, but also bundled according to the specific needs of different customers. Their designs primarily rely on market information regarding customers' preferences in style and function rather than artistic value. Their internally designed products (office furniture) have some aesthetic dimensions, but it is the utilitarian dimension that dominates. Therefore,

designers are closely integrated into the operations of the company, so that furniture is designed with producibility, functionality, customer needs and the complete product range in mind. Often, the name of the designer is not important and is thus not communicated to customers. However, in their 'total office solutions', both companies include furniture from a set of more design-oriented companies, like their customers require. The furniture is selected from their own product range and that of their partners according to the needs of the particular customer and combined into total solutions for the customer. This leads to offerings with increased customer orientation. The respondent at Company D explains:

> We are advancing more and more towards that [total solutions]. It has been there all along, but there is a desire and ambition to offer this even more. What this really means is that we complement our own product portfolio with other brands' products, to better meet our customers' complete needs.

A third group of companies are product-oriented in their marketing activities and oriented towards a mass market in their design. *Company F*, for instance, relies on external designers, but in contrast to Companies A and C, the work of these external designers is strictly coordinated with the company's own design strategy, current and planned product range, and market information. Important sources of information about current market trends are fashion shows and magazines. Company F does not adapt its products to specific customer needs, but tries to offer a wide range of fabrics in response to customer requirements. To handle these different demands from customers, Company F strives for modularisation:

> We want to offer a freedom of choice for the customer, but we must be cost effective. By thinking in terms of modules, many of our sofas are constructed out of the same frames, but this is not noticed by the customer as the soft material varies. You then achieve cost effectiveness.

However, the same respondent also notes the risk in doing so: 'This is the never-ending balance walk – how far can you modularise the material, but still not notice this in the finalised product?' *Company G* has gradually moved into this group, from being less commercial in their design. By maintaining long-term relationships with their external product designers (twenty years is not unusual), they can coordinate their marketing and design efforts and maintain their design identity. The respondent at Company G notes a possible disadvantage to their approach:

> Twenty years ago, this company was extremely brave in its design expression, and today we still collaborate with the same, now older architects. But we do not really attract younger customers and I believe the reason for this might be that we are not radical enough or daring. I think that we might have made a small mistake there.

Company H, a car manufacturer, belongs to the same group and has implemented an extensive planning process for design. What is decided today in terms of product design will be
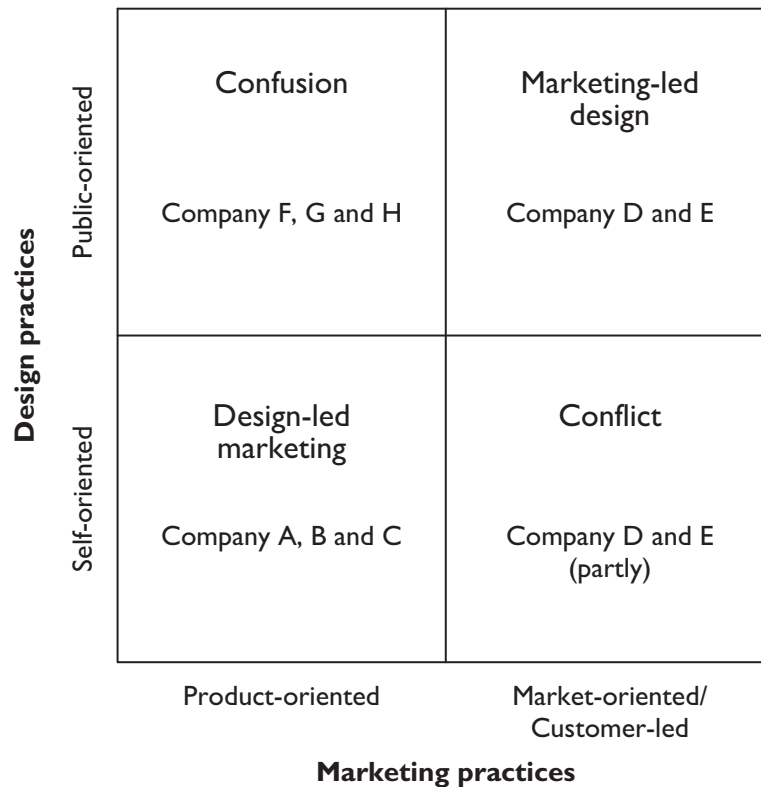
implemented in five to ten years. The mass market is always in focus, since the development costs for introducing a new car series are extremely high. However, the respondent at Company H emphasises that designing for a mass market does not mean designing products that are uninteresting and plain. Instead, the challenge, according to this respondent, is to 'understand the customers and still do our own unique interpretation of their needs'. The design process also relies on a very distinctive 'design DNA', i.e. a specific design expression and decided design goals that give Company H its own design identity. Market research is conducted thoroughly, but the result is not a design that exactly answers to market requests; rather, it is a combination of market requests and Company H's design DNA. The marketing approach is rather product-oriented, in which the features of the cars are marketed to prospective buyers, even if the Company H customer has a larger choice of different solutions and combinations.

DISCUSSION

Based on the empirical results presented above, this section will discuss a typology of marketing–design combinations and propose a type of coordination that seems feasible for each combination. In Figure 1, four different combinations are described along with the positions of the studied companies.

The first combination is labelled '*design-led marketing*', which indicates that both the marketer and the designer want the design function to lead marketing. The designer is here allowed to work independently of market requirements, and may lead to truly innovative products in terms of technology and aesthetic design. The risk of conflict is minimal because the orientation of both functions are in line with each other. In this situation, product design may not be particularly responsive to marketing, but typically has a very distinctive character. Our empirical study found three companies in this position (A, B and C). The design in these companies is truly innovative, countering the work of Lukas and Ferrell (2000), who state that product-oriented marketing may imperil the level of innovation. Instead, these companies are examples of how product design 'drives' the market. This means that the products' features create a market or customer need (Jaworski et al., 2000). The products are seen as separate objects, often designed by different designers and marketed as such. The company brand serves as a guarantee for well-designed products, but there is not always one design identity that spans the range of products. Company B, whose products are all designed by the company owner, is an exception and has a less independent design identity. The internal or external designers most often create independently from other functions within the company. The marketers market the unique products to the customers after the designers have finished their task. This situation resembles what Beverland (2005) calls 'loose–tight coupling', i.e. tight management of the end results, e.g. the desired strategic position in the market, but looser management of the means, i.e. the product design.

The second combination is labelled '*marketing-led design*'. Here, the primary goals and common interests of the marketer and designer are to fulfil market needs. The designer is responsive to marketing needs and is not rigid in what he or she wants to accomplish

Figure 1: A Typology of Marketing–Design Combinations

	Product-oriented	Market-oriented/ Customer-led
Public-oriented	Confusion Company F, G and H	Marketing-led design Company D and E
Self-oriented	Design-led marketing Company A, B and C	Conflict Company D and E (partly)

*(Vertical axis label: **Design practices**; Horizontal axis label: **Marketing practices**)*

other than to attract the public at large (Hirschman, 1983). Marketing is not responsive to the designer, but rather to the needs of customers and to changes in the market. Here, the risk for conflicts between design and marketing is minimal, as the focus of design and marketing are perfectly aligned with each other. The cooperation between these functions is therefore rather unproblematic. Two of the companies (D and E) in our empirical study belong to this group and produce office furniture, whose utilitarian aspect is perhaps just as important or even more important than the aesthetic values of their products. The designers are closely integrated into the operations of the company to secure market attractiveness as well as produceability and functionality. The common objectives and clear focus on market orientation allow implementation of a conceptual integration between marketing and design, i.e. a high degree of integration (Kristensen and Grönhaug, 2007), which can optimise the common knowledge and create integrated working processes in the product development process.

The third combination is labelled '*confusion*' and here neither design nor marketing wants to take the lead. The commercial designer seeks market information with the aim

of reaching the public at large (Hirschman, 1983), whereas the product-oriented marketer is waiting for the designer's initiative and independent design which could be marketed to the customers accordingly (Grönroos, 1991). Product-oriented marketing is responsive to design, and the designer is responsive to the marketing function, but neither function expresses any distinctive requirements. To maintain this position over time, Company H has clear policies and processes for the product design work and a strong design strategy framework in line with the strategies for design management suggested by Bruce and Daly (2007). This framework allows internal or external designers to answer market needs, while remaining loyal to the design identity of the company. The design function and the marketing function can act in line with the policies and frameworks and neither needs to take direct control. If these companies rely on external designers, their work is closely supervised and coordinated with the design strategy, product range and market information of the company to secure the market focus. The design is influenced by mass market requirements, but adjusted to follow the clear design identity of the company. The product design in the studied companies tends to be less innovative and more 'mainstream' and 'safe', which, according to Lukas and Ferrell (2000), could be the result of missing customer orientation and, as a consequence, little knowledge of hidden customer needs. Company G has also developed such a design policy, whereas Company F has not, possibly because Company F is quite small and the need for a formal policy is therefore less.

The fourth and final combination is labelled '*conflict*'. Here, the marketer wants the needs of the customer, the market or both as a whole to direct the work of the design unit. From the marketer's perspective, the design should be the result of market investigations, aimed at answering the explicit or implicit requirements of the market. This view of joining design and marketing matches the view proposed by, for example, Kotler and Rath (1984). From the perspective of the self-oriented designer working in this situation, however, design should take place independent of the market and result from the designer's own desire for self-fulfilment and satisfaction (Hirschman, 1983). Naturally, these two standpoints may create conflicts that can be difficult to resolve. Nevertheless, we found two companies (D and E) in our empirical study that appear (from our viewpoint, at least partly) to be in this situation, since they increasingly connect with external innovative design companies or, in the case of Company E, even acquire such companies in order to be better equipped to meet heterogonous customer needs. The designs of these partners are typically innovative and have a distinct identity. By collaborating with these partners, Companies D and E may combine the ability to offer customised solutions with innovative products created by self-oriented designers. They cannot customise furniture designed by these partners, but from the broad assortment provided internally and through its partners, they are capable of satisfying relatively diverse customer needs.

CONCLUSIONS AND IMPLICATIONS

Despite the extensive academic attention given in recent years to design as a possible area of competitive advantage for companies, there has been some confusion in the literature regarding the interplay of design and marketing. While some authors emphasised

the importance of aligning design with overall marketing and business objectives, others emphasised the distinguishing characteristics of design and the need to release the creative energy of designers. These authors tend to adopt very specific perspectives on marketing and design, while neglecting the fact that there are many different approaches to the practice of marketing and designing products. By investigating the nature and coordination of design and marketing at eight Scandinavian companies, the present study makes a significant contribution to both the theory and practice of design and marketing management.

Research Implications

An empirically and theoretically grounded model of possible combinations from different design and marketing approaches was developed and presented in Figure 1. Even though we did not investigate differences in profitability in our empirical study, we found that it is possible for companies to combine any kind of marketing and design approaches with each other. However, the type and relative strength of the coordination of design and marketing appears to be critical here. Table 2 presents an overview of the different orientations in marketing and design described in this paper and the type of coordination that seems feasible for each situation.

Table 2 summarises the findings of our empirical study and incorporates the concept of coordination as a means of providing a more general model involving the interplay of

Table 2: Coordination in Relation to Different Marketing and Design Approaches

Situation	Marketing Practice	Design Practice	Type of Coordination
Design-led marketing	Product-oriented	Self-oriented	Coordination is done from the perspective of the products that are designed by an independent design organisation; marketing is reactive and depends on information from designers, which it seeks to integrate into their marketing communication
Confusion	Product-oriented	Public-oriented	Tight coordination of both design and marketing by means of a company-wide strategic framework and design policy
Conflict	Customer-led /market-oriented	Self-oriented	Loose or no coordination; neither design nor marketing is seeking information from the other, but rather seek to work independently of and influence each other
Marketing-led design	Customer-led /market-oriented	Public-oriented	Coordination is done from the perspective of marketing; designers are reactive only, depending on information from the marketers and seek to integrate this information into their product design

design and marketing than has been presented previously. By introducing such a general perspective, this paper contributes a new perspective on the tensions and synergies that exist between design and marketing. Because the empirical study conducted in this paper is limited in terms of its width and depth, further empirical studies are needed to test and refine the conclusions provided here. A potentially productive research avenue is to expand our model and more clearly incorporate contextual influences on coordination, for instance national and corporate culture, company size and location of design (internal or external designers). Several such factors are likely to influence the kind of coordination used. The potential for relationships between design and marketing, coordinating mechanisms and profitability, would also be interesting subjects for further research.

Managerial Implications
Although the model presented in Table 2 (including the different orientations, positions and coordination mechanisms) requires more development and testing, it may serve as a starting point for managers to understand the interplay of design and marketing in organisations and to design feasible coordination mechanisms. First, in a design-led marketing situation in which the designer is self-oriented and the marketing approach is product-oriented, it can be suggested that marketing should be reactive and responsive to information from their designers, who they should seek to integrate into their marketing communication. With such an approach to coordination, the creative energies of the designers can be retained. Second, when marketers are product-oriented and the designers are public-oriented, a tight coordination of both design and marketing can be suggested, e.g. by means of a company-wide strategic framework and design policy. Through such coordination, marketing and design can be aligned with each other. Third, with a customer- or market-led marketing approach and designers who are self-oriented, unstructured or possibly no coordination is suggested, since both functions should be allowed to work independently and influence each other on their own terms. Fourth, with a customer- or market-led approach and designers who are public-oriented, designers should act reactively and depend on information given by the marketing function.

If these guidelines are allowed to guide managerial decisions in companies regarding how to coordinate design and marketing, unnecessary overt conflicts and tensions between the marketing and design units may be avoided. Moreover, the guidelines may help the different units to understand and accept the differences and similarities between their respective areas of specialisation, and thus help to create a more innovative and productive cooperation.

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